

Frequently Asked Questions Draft Proposed Program (DPP)

Q: What is the Draft Proposed Program?

A: The Draft Proposed Program (DPP) is the second stage of a five-stage process to develop the 2017-2022 Oil and Gas Leasing Program. The Outer Continental Shelf Lands Act (OCSLA) requires BOEM to propose a schedule of lease sales every five years. This is referred to as the “Oil and Gas Leasing Program” or the “Five Year Program.” Preparation and approval of an Oil and Gas Leasing Program is based on the Secretary of the Interior’s balancing of factors specified by Section 18 of the OCSLA to determine the size, timing, and location of lease sales. The DPP decision document lays out a proposed schedule of potential lease sales and is the first of three proposals to be issued for public review before a new Oil and Gas Leasing Program may be approved.

Q: What does the Draft Proposed Program authorize?

A: The Draft Proposed Program (DPP) itself does not authorize anything. It is the first of three proposals required by Section 18 of the Outer Continental Shelf Lands Act (OCSLA) to create the Oil and Gas Leasing Program. The DPP is followed by a further refined Proposed Program, which in turn is followed by the Proposed Final Program and, not earlier than 60 days thereafter, an approved program. Each of these steps is mandated by the OCSLA.

The DPP decision document examines all 26 of the planning areas pursuant to the eight factors set forth in Section 18 of OCSLA. Only those areas and options that the Secretary decides are appropriate to include in the DPP decision will be further analyzed in preparing the Proposed Program.

Q: Why does BOEM prepare the Five-Year Program for Oil and Gas Leasing on the Outer Continental Shelf (OCS)?

A: Section 18 of the Outer Continental Shelf Lands Act (OCSLA) requires the Secretary of the Interior to prepare and maintain a schedule of proposed Outer Continental Shelf (OCS) oil and gas lease sales determined to best meet national energy needs. The Five-Year Program provides a schedule of potential oil and gas lease sales indicating the size, timing, and location of proposed leasing activity. The current Five-Year Program for 2012–2017 expires in August 2017.

Q: What areas and proposed lease sales are included in the 2017-2022 Draft Proposed Program?

A: The Draft Proposed Program includes eight planning areas—three in the Gulf of Mexico, two in the Atlantic, and three in Alaska—and nearly 80% of estimated undiscovered technically available oil and gas resources on the U.S. Outer Continental Shelf. The DPP schedules 14 potential lease sales in those areas for the 2017–2022 period in eight program areas – 10 sales in the Gulf of Mexico, one in the Atlantic (which would cover portions of two planning areas) and three off the coast of Alaska.

Q: What is a Lease Sale?

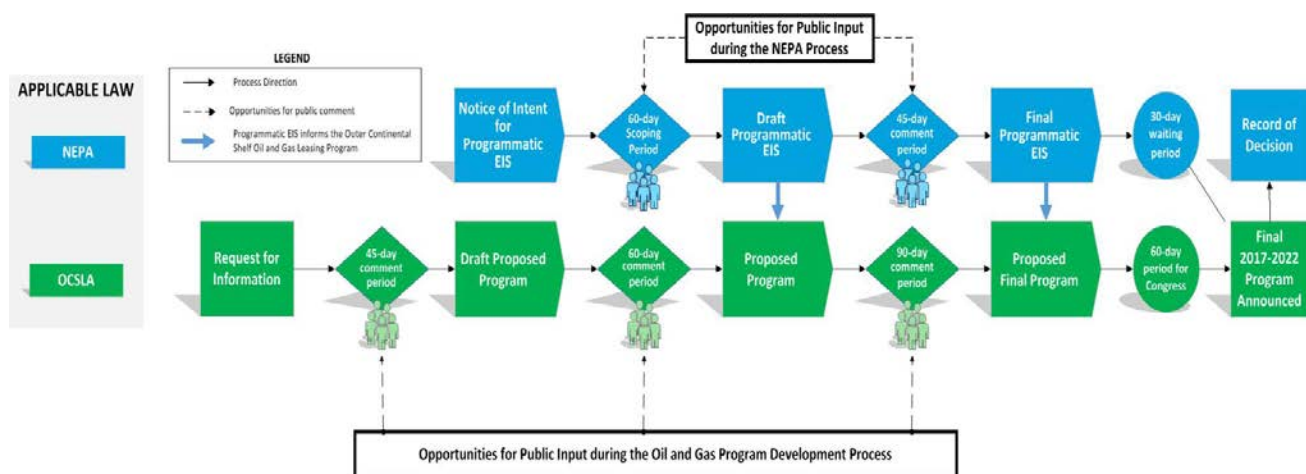
A: A lease sale is the process by which BOEM issues a right to apply for authorization to explore and develop the mineral resources within the leased area. Before authorizing any activities, BOEM carefully reviews all requests under all applicable laws to ensure that the activities will be conducted in a safe and environmentally sound manner and that the interests of key stakeholders are effectively addressed.

Q: What is the next step?

A: Two separate but parallel activities start after the Draft Proposed Program (DPP) is announced. A 60-day comment period follows publication of the DPP. The 60-day comment period is followed by the development and publication of the Proposed Program, which in turn is followed by the Proposed Final Program and, not earlier than 60 days thereafter, an approved program. Each of these steps is mandated by the Outer Continental Shelf Lands Act (OCSLA.)

With the publication of the DPP, BOEM commences the preparation of a Programmatic Environmental Impact Statement (PEIS), in accordance with the National Environmental Policy Act (NEPA) and its implementing regulations.

To begin the PEIS process, BOEM issues a Notice of Intent (NOI) to prepare a PEIS. The NOI is published at the same time the DPP is published. The NOI begins a formal public scoping process to obtain input on the issues that should be analyzed in the PEIS. The Draft PEIS will be published with the Proposed Program and the Final PEIS with the Proposed Final Program. BOEM will provide numerous opportunities for public input via a website for the PEIS, a series of scoping meetings following publication of the NOI, and public hearings following publication of the Draft PEIS.



Q: How does this Draft Proposed Program differ from the previous program?

A: There are two major differences in this program. First, BOEM is proposing to hold ten region-wide sales comprised of the Western, Central, and Eastern Gulf of Mexico unleased acreage not subject to moratoria instead of two annual sales offering either the Central or the Western area and periodic sales in the Eastern area. Second, a portion of the Mid- and South Atlantic is included in the Draft Proposed Program.

Q: Is there a consistent focus for this program similar to the 2012–2017 program, i.e. regionally targeted leasing?

A: Yes, in Alaska, we will continue to take a balanced and careful approach to development by utilizing the targeted leasing strategy set forth in the 2012–2017 Program. We are also proposing a targeted leasing approach in the Mid- and South Atlantic. In recognizing that the Gulf of Mexico has the most abundant proven oil and gas resources as well as mature infrastructure, the Draft Proposed Program proposes to continue to use an area-wide (in this case region-wide) approach to leasing in the Gulf of Mexico.

Q: How many comments did BOEM receive on the Request for Information?

A: BOEM received more than half a million comments in response to the June 2014 Request for Information. Comments were received from governors, Federal agencies, state agencies, local agencies, energy and non-energy industry, tribal governments, non-governmental organizations, including environmental advocacy groups, and the general public.

Q: What if I don't want oil and gas development in a certain area?

A: Public participation is an integral part of the development of the Five-Year Program. In response to the Request for Information published in June 2014, BOEM received and considered more than a half a million comments. The public is invited to submit their comments during the official scoping and/or comment periods on the Draft Proposed Program (DPP) and Programmatic Environmental Impact Statement (PEIS), and the Proposed Program and Draft PEIS.

BOEM will consider all comments received on the DPP during preparation of the analyses and decisions on the Proposed Program. BOEM also will look at all input gained through the official scoping period and use it to the extent possible to help determine the scope of the analysis, develop alternatives, and develop mitigation or monitoring recommendations. BOEM also reads and responds to all comments received during the public comment period for the Draft PEIS.

All comments submitted via regulations.gov that do not contain offensive, threatening, or proprietary material are published on regulations.gov as soon as possible after their submission. In cases where BOEM receives multiple identical comments, only one representative example of this comment may be posted. This is why it is so important to get comments with focused information in them. If you tell us where or what you are concerned about and why, we can do more with that than if you just tell us that you do not want leasing to happen or you support leasing.

Q: What factors are considered when deciding where to hold a lease sale?

A: Issuing the Draft Proposed Program (DPP) is not a lease-sale level decision point, but rather the beginning of the broader, national-level leasing program development process. At this stage, the Secretary is identifying those areas for which there will be further analysis before deciding which areas will ultimately be included in the final program.

Pursuant to Section 18 of the Outer Continental Shelf Lands Act, there are eight factors considered in determining the size, timing, and location of leasing:

- Geographic, Geological, and Ecological Characteristics
- Equitable Sharing of Developmental Benefits and Environmental Risks
- Location with Respect to Regional and National Energy Markets and Needs
- Location with Respect to Other Uses of the Sea and Seabed
- Interest of Potential Oil and Gas Producers
- Laws, Goals, and Policies of Affected States
- Environmental Sensitivity and Marine Productivity
- Environmental and Predictive Information

The timing and location decisions made by the Secretary of the Interior also must, to the maximum extent practicable, balance the potential for environmental damage, the potential for the discovery of oil and gas, and the potential for adverse impact on the coastal zone.

Q: Is there a priority of importance for the eight factors and/or the balancing decision elements?

A: No, there is no established priority as to the importance of the eight factors. Section 18 of the Outer Continental Shelf Lands Act requires that the Secretary consider them all in making decisions. BOEM prepares various analyses for the Secretary's consideration that address the eight factors, as are set out in various chapters of the Draft Proposed Program document.

Q: How many opportunities will the public have to weigh in on this proposed Five-Year Program?

A: There are multiple opportunities for the public to provide comments during the program preparation process—three under the Outer Continental Shelf Lands Act (OCSLA) program process and two under the National Environmental Policy Act (NEPA). Public comments are sought at each of the following steps:

1. Issuance of an initial Request for Information and Comments;
2. Issuance of the Draft Proposed Program (the current step);
3. Scoping period, which includes public meetings, prior to preparing the Draft Programmatic Environmental Impact Statement (PEIS), pursuant to the National Environmental Policy Act (NEPA) (also the current step).
4. Issuance of the Proposed Program; and
5. Issuance of the Draft PEIS (concurrent with the issuance of the Proposed Program); issuance of the Draft PEIS is followed by public hearings as well as a request for written comments.

Q: What type of information is BOEM seeking?

A: BOEM would like to receive comments and suggestions on the Draft Proposed Program's (DPP's) analyses of areas selected for the DPP, including their geological, ecological and environmental characteristics; benefits and costs of oil and gas activities; industry interest; laws, goals, and policies of affected states; and on the size, timing, and location of proposed lease sales.

Q: If an area is included in the Draft Proposed Program, can it still be removed before the program is finalized?

A: Yes. The Draft Proposed Program is the first of three lease sale proposals required under the Section 18 multi-step process. Proposed areas and sales can be reduced or removed throughout the program preparation process. Further, even after a Five Year Program is approved, there are additional decision stages in the pre-lease sale process at which time BOEM could reduce the area to be offered or cancel a lease sale.

Q: If an area isn't included in the Draft Proposed Program, can it be added before the program is finalized?

A: No, no sale or area can be added to the program without restarting the program preparation process at the stage in which the sale or area was deleted. For example if an area was in the Draft Proposed Program (DPP) but not included in the Proposed Program, in order for that area to be included in an approved program, a new Proposed Program including that area would need to be developed. Proposed areas and sales in the Draft Proposed Program can be deleted but not added.

Once a program is approved, the Secretary has full discretion to cancel or delay a lease sale as well as to narrow the geographic scope of a proposed leasing area, without developing a new program. The Secretary must also undertake annual reviews of the program per Section 18(e) of the Outer Continental Shelf Lands Act (OCSLA). However, the OCSLA requires that the Secretary may only make a "significant" change by utilizing the same procedure as for the original program, i.e. starting the program preparation process over again. A 'significant' change has generally been interpreted to mean increasing the scope of the program (e.g., adding geographic areas or adding sales).

Q: Can a lease sale be added once the Program is finalized?

A: No, the Department of the Interior cannot offer an area for lease without it being included in an approved five-year program. Nothing can be added to the five-year program once it is approved without starting the five-year program process again or Congressional action.

Q: Are some areas off-limits for potential oil and gas?

A: Through the enactment of the Gulf of Mexico Energy Security Act of 2006 (GOMESA), Congress, through June 30, 2022, placed off-limits to Outer Continental Shelf (OCS) oil and gas leasing, activities in the Eastern Gulf of Mexico within 125 miles of Florida; all of the Eastern Gulf of Mexico east of 86 degrees, 41 minutes West longitude; and a portion of the Central Gulf of Mexico within 100 miles of Florida.

Pursuant to Section 12 of the OCS Lands Act, on December 16, 2014, President Obama withdrew the North Aleutian Basin (including Bristol Bay) in Alaska, for a time period without a specific expiration, from consideration of leasing for the purposes of exploration, development, or production. On January 27, 2015, President Obama also withdrew portions of the Beaufort and Chukchi Seas in the Alaskan Arctic from oil and gas leasing, for a period without specific expiration, to protect areas of importance to subsistence use by Alaska Natives, as well as for their sensitive environmental resources. In particular, those areas include three areas of the Chukchi Sea (a 25-mile buffer area along the coast, an additional subsistence use area near Barrow, and Hanna Shoal) and two areas of the Beaufort Sea (the subsistence whaling areas near Barrow and Kaktovik). Similarly, all National Marine Sanctuaries were withdrawn, for a time period without a specific expiration, by President Clinton, on June 12, 1998.

There are also 17 additional planning areas that the Secretary chose not to include in the DPP.

Q: What is the Outer Continental Shelf (OCS)?

A: The Outer Continental Shelf consists of all submerged lands (the seafloor) lying seaward of state waters. OCS waters are federal waters and begin three nautical miles off the coast (except for Texas and the Gulf coast of Florida, where state waters go out approximately nine nautical miles) and extend to at least 200 nautical miles from the coastline or where they meet another country's waters, sometimes closer than 200 nautical miles.

The Bureau of Ocean Energy Management (BOEM) manages 1.7 billion acres of submerged lands on the OCS.

Q: How much energy does the Outer Continental Shelf provide our nation?

A: The Outer Continental Shelf currently provides about 18% of domestic oil production and about 5% of domestic natural gas production. In 2013, production on the U.S. Federal OCS provided 480 million barrels of oil and 1.4 trillion cubic feet of natural gas, the equivalent of the energy needed to power about 114 million U.S. households for one year.

Q: What is the Outer Continental Shelf Lands Act (OCSLA)?

A: The Outer Continental Shelf Lands Act, or OCSLA, was passed in 1953 and authorizes the Secretary of the Interior to lease portions of the OCS for oil and gas development. The OCSLA authorizes the Federal Government, through BOEM, to issue leases for the exploration, development, and production of oil and gas from the Outer Continental Shelf. The OCSLA dictates that the first step is to prepare and maintain a schedule of proposed lease sales determined to "best meet national energy needs for the five-year period following its approval or reapproval."

Q: What is NEPA?

A: The National Environmental Policy Act (NEPA) was passed in 1970 and requires federal agencies to consider environmental impacts when they propose an action. NEPA also directs federal agencies to consider alternatives to their proposed action. For the Oil and Gas Leasing Program, BOEM prepares a NEPA-compliant Programmatic Environmental Impact Statement. BOEM prepares subsequent NEPA documents before an area is leased, including regional leasing analyses and lease sale-specific analyses.

Q: What is a Programmatic EIS?

A: A Programmatic Environmental Impact Statement (Programmatic EIS), is a document that analyzes the potential environmental impacts of an action with a broad geographic scope, such as oil and gas leasing in OCS waters. BOEM uses a Programmatic EIS to identify and analyze the potential environmental impacts associated with oil and gas leasing; how we can effectively avoid or manage environmental impacts; and what other options, or alternatives to the proposed action, are available. BOEM begins to determine what the issues and alternatives are through a process under NEPA called "scoping."

Q: What is scoping?

A: Scoping is a process for identifying the issues BOEM should consider when developing the Programmatic Environmental Impact Statement (Programmatic EIS). The "scope" of the Programmatic EIS includes all of the issues that BOEM should consider when it is analyzing effects of the Oil and Gas Leasing Program in accordance with the National Environmental Policy Act. It also includes the other options – or "alternatives" – BOEM should look at that might reduce the impacts of what is being proposed. BOEM uses past environmental documents we have prepared and, most importantly, we involve the public in the process.

Q: Will BOEM prepare a Programmatic Environmental Impact Statement (Programmatic EIS) as part of the process to develop a new Five-Year Program?

A: Yes. BOEM will prepare a Programmatic EIS in accordance with the National Environmental Policy Act (NEPA). The Notice of intent (NOI), published concurrently with the Notice of Availability of the Draft Proposed Program, will also announce the public scoping process. Throughout the scoping process, Federal, state, and local government agencies and the public will have the opportunity to aid BOEM in determining the significant issues and alternatives for analysis in the Programmatic EIS. The public will have an additional opportunity to comment on the Draft Programmatic EIS. All comments received on the Draft Programmatic EIS will be addressed in the Final Programmatic EIS. Subsequent NEPA analyses are performed for lease sales.

Q: How will the information being gathered for the Environmental Impact Statement affect the final decision about where oil and gas leasing will take place?

A: Only those areas and options that the Secretary decides are appropriate to include in the Draft Proposed Program (DPP) decision will be further analyzed in the Proposed Program and the associated Draft Programmatic Environmental Impact Statement (Programmatic EIS). Subsequently, only the Outer Continental Shelf (OCS) areas and options that the Secretary decides to include in the Proposed Program decision will be analyzed in the Proposed Final Program (PFP) and in the Final Programmatic EIS. The Programmatic EIS

will consider potential geographic exclusions and restrictions on leasing activities for the 2017–2022 Program, and the final decision on the program may adopt any exclusions or restrictions that the Secretary considers necessary for environmental protection and that are sufficiently identifiable at that stage. Those exclusions or restrictions not chosen at the program stage may, as appropriate, be considered at later, more focused stages in the leasing process, including the pre-lease sale and plans processes.

It is important to emphasize that this DPP is the first of three proposals required to develop the 2017–2022 Program. The program development process starts with the broadest consideration of areas available for leasing (i.e., all 26 OCS planning areas) and is narrowed through a winnowing process. The areas included in the DPP will undergo additional analysis during the development of the Program. As additional comments are received, a National Environmental Policy Act (NEPA) analysis is conducted, and Section 18 criteria are further analyzed and balanced, a Proposed Program will be composed and the analysis refined. Inclusion of an area at the DPP phase is not a final indication that it will be included in the approved Program or offered in a lease sale, because many decision points still remain for reducing or completely deleting an area or sale. Conversely, if an area or sale is not included at the DPP stage, it cannot be added back in without analyzing the option and rebalancing the DPP decision.

GULF OF MEXICO

Q: What is being proposed in the Gulf of Mexico?

A: The Draft Proposed Program schedules 10 region-wide sales comprised of the Western, Central, and Eastern GOM unleased acreage not subject to moratoria: 1 sale each in 2017 and 2022, and two sales each in 2018, 2019, 2020, and 2021.

Q: What is different for the Gulf in this Program?

A: There are 10 sales scheduled for the Gulf of Mexico, as in the current 2012–2017 Program. The difference is that in the current Program, 4 separate annual sales were scheduled focusing on either the Western Gulf or the Central Gulf and 2 separate sales in the Eastern Gulf. The Draft Proposed Program for 2017–2022 schedules 10 region-wide sales comprised of the Western, Central, and Eastern Gulf unleased acreage not subject to moratoria: 1 sale each in 2017 and 2022, and 2 sales each in 2018, 2019, 2020, and 2021. The proposal in the Draft Proposed Program balances the workload for the agency and provides greater flexibility for industry, particularly in response to recent Mexican energy reforms.

ARCTIC

Q: What is being proposed in the Arctic?

A: There are 3 lease sales proposed in the 2017–2022 Program off the coast of Alaska. In Alaska, the Draft Proposed Program continues the targeted leasing strategy set forth in the current Program by identifying 1 sale each in portions of the Beaufort Sea (Sale 255), Cook Inlet (Sale 258), and Chukchi Sea (Sale 262) Planning Areas.

Q: What is different for the Arctic in this Program?

A: The proposed lease sales for the 2017–2022 Program in the Arctic are similar to those included in the 2012–2017 Program.

Q: Will any lease sales proposed for the Arctic region be late in the program as they were last time?

A: Potential sales in the 3 Alaska program areas are scheduled late in the five-year period to provide additional opportunity to evaluate and obtain information regarding environmental issues, subsistence use needs, infrastructure capabilities, and results from any exploration activity associated with existing leases. A Beaufort Sea Sale 255 is proposed for 2020, a Cook Inlet Sale 258 is proposed for 2021, and a Chukchi Sea Sale 262 is proposed for 2022.

Q: What areas are withdrawn from leasing in the Alaska OCS?

A: On January 27, 2015, pursuant to Section 12 of the OCS Lands Act, President Obama withdrew portions of the Beaufort and Chukchi Seas in the Alaskan Arctic from oil and gas leasing, for a period without specific expiration, to protect areas of importance to subsistence use by Alaska Natives, as well as for their sensitive environmental resources.

In particular, those areas include three areas of the Chukchi Sea (a 25-mile buffer area along the coast, an additional subsistence use area near Barrow, and Hanna Shoal) and two areas of the Beaufort Sea (the subsistence whaling areas near Barrow and Kaktovik).

Q: How will the Arctic standards affect this Draft Proposed Program?

A: BOEM and BSEE are cooperatively developing new Arctic regulations to codify and enhance existing protective measures for exploratory drilling and related operations in the unique environment of the Arctic region. Among other things, the rule will cover overall exploratory drilling operations in ice and adverse weather conditions.

ATLANTIC

Q: What is being proposed for the Atlantic?

A: The Draft Proposed Program proposes a sale late in the Program at least 50 miles offshore the coasts of Virginia, North Carolina, South Carolina, and Georgia in a portion of the Mid-Atlantic and South Atlantic Planning Areas. This option allows for consideration of a targeted area with resource potential, while limiting potential impacts to the environment and other ocean uses. The 50-mile coastal buffer was included for the Atlantic sale in response to the Governor of Virginia's comments and also to minimize many multiple use conflicts such as those from Department of Defense activities, renewable energy activities, commercial and recreational fishing, critical habitat needs for marine mammals and sea turtles, hard bottom environments, and other environmental concerns, while making available the vast majority of potential resources in this area. Further environmental analysis regarding minimizing potential impacts will be performed as part of the five-year Programmatic Environmental Impact Statement.

Q: What percentage of Mid- and South Atlantic Planning Area resources are being made available in the Atlantic Program Area as described in the Draft Proposed Program?

A: BOEM estimates that the Mid- and South Atlantic Program Area offered in the Draft Proposed Program makes available approximately 68% of the mean undiscovered technically recoverable resources for both the Mid- and South Atlantic Planning Areas. These resources were estimated on a barrels-of-oil-equivalent (BOE) basis.

Q: What is different for the Atlantic in this Program?

A: The Draft Proposed Program proposes a sale late in the Program at least 50 miles offshore the coasts of Virginia, North Carolina, South Carolina, and Georgia in a portion of the Mid-Atlantic and South Atlantic Planning Areas. There are no sales in the Atlantic in the current Program, which ends in 2017.

PACIFIC

Q: What is being proposed for the Pacific in this Program?

A: Areas off the Pacific coast are not included in this Draft Proposed Program.

Q: Why is no activity in the Pacific proposed?

A: The exclusion of the Pacific Region is consistent with the long-standing position of Pacific coast states, as framed in the 2006 West Coast Governors Agreement on Ocean Health. This agreement expressed the governors' opposition to oil and gas development off their coasts, and these states have continued to voice concerns, including in formal comments on the Request for Information.

Q: What is different for the Pacific in this Program?

A: There is no difference between the current Program and the Draft Proposed Program. Neither Program includes areas in the Pacific for leasing consideration.

RENEWABLE ENERGY

Q: Can Oil and Gas and Renewable Energy Projects coexist in an area?

A: Yes, renewable energy projects are typically close to shore, leaving extensive OCS areas with no potential for conflicting operations. There also is the potential for use of oil and gas facilities for renewable energy as part of the "alternate uses" mandate of the Energy Policy Act of 2005.